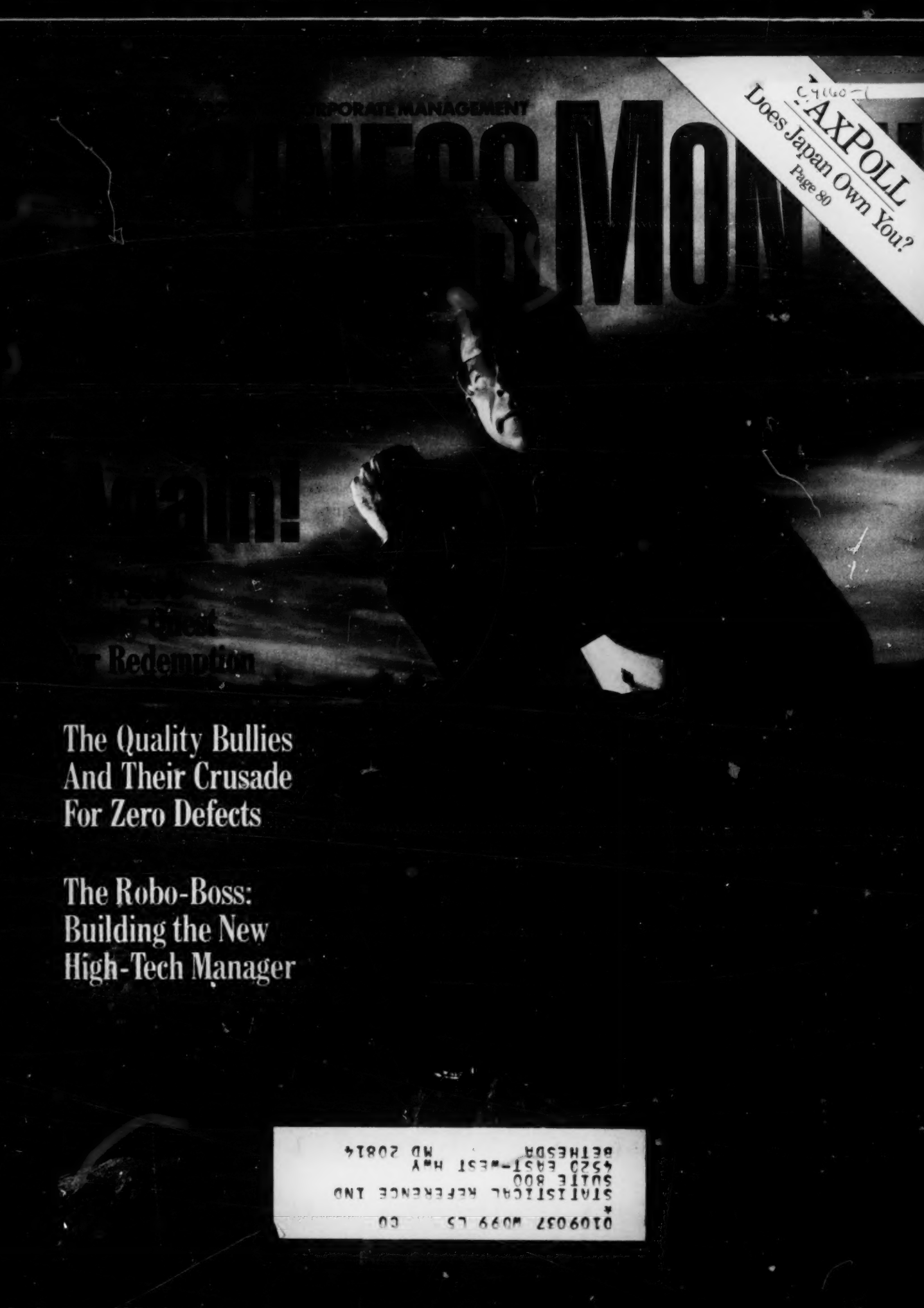

0109037 W099 C5 CO
*
STATISTICAL REFERENCE IND
SUITE 800
4520 EAST-WEST HWY
BETHESDA MD 20814

JANUARY 1990

BUSINESS MONTH

FEATURES

LEADERSHIP: **BORN AGAIN!** *By L.J. Davis* 22
Bill Agee is back. But can the takeover pioneer of the '80s be redeemed as a '90s-style manager?

MANAGING PEOPLE: **MIND READING** *By Edmund L. Andrews* 36
A new take on the casting couch: In some companies, psychological profiles are playing a big role in hiring and promoting.

QUALITY CONTROL: **STALKING SIX SIGMA** *By Mark Stuart Gill* 42
Caveat error: In Motorola's quest for zero defects, let the bungler beware.

SPECIAL REPORT: **MEET THE ROBO-BOSS** 50
In a world of faxes, data banks, and electronic mail, it's not what you know; it's how you know it.

POLITICS AND POLICY: **BUSHWHACKING** *By Fred Barnes* 68
Business bridles at the President's penchant for cutting deals at its expense.

SPEAKING OUT/DAVID HILL 7
The president of Saatchi & Saatchi Corporate Communications Group would like to see more MBAs: masters of business *arts*.

FAXPOLL FEEDBACK 9
When it comes to drugs in the office, you say you are your brother's keeper.

OPINION/BEN STEIN 10
Back and forth to the future: a cautionary fable for America.

PERSPECTIVE 13
How to fly with Frank Lorenzo; Avon's miscalling; and farewell to the '80s.

NORMAN MACRAE/ON PERESTROIKA 19
The Russian ruble at the Rubicon.

BENEFITS/ROBERT L. WILLIAMS 74
One from column A, two from column B: Employees like choices.

MANAGING INFORMATION/MICHAEL R. GAUTHIER & ROBERT SUH 77
When your supplier merges, your software investment could be a casualty.

MARKETING/RICHARD WINGER & DAVID EDELMAN 79
With "segment of one" marketing, personalized service goes mass market.

FAXPOLL 80
Remote control: Is Japan calling the shots in American industry?

COVER PHOTOGRAPH BRIAN SMALE

FAXPOLL FEEDBACK: HARD ON DRUGS, SOFT ON USERS

You gave our fax machines quite a rush when you answered our poll on drugs at the office. A thousand responses coursed through our phone lines in the first week alone. Many of you wrote of your anger, fear, resentment, and confusion when it comes to the addicted employee. Only 10 readers claimed they worked in drug-free environments. Why didn't we include substances like alcohol, tobacco, and nicotine? Drugs, we felt, were a big enough problem to warrant an exclusive survey.

THE BUSINESS MONTH

FAXPOLL

How tough are you?

1. You've just discovered that a trusted and valuable subordinate is an addict. Do you:
   - pretend ignorance and do nothing
   - convince him to seek counseling
   - put him on leave without pay
   - fire him on the spot
   - report him to the police
   - other (please specify)

2. a. A corporation should pick up the tab to rehabilitate an employee with an addiction problem.
   b. A company should pay to rehabilitate an employee's family member.

3. Outside the office, limited recreational use of drugs is okay.

4. Would you support a 0.5 percent surcharge on individual and corporate income taxes to fight drug abuse?

5. Within your company, how far up the chain of command does drug use extend?

6. Drug testing at the workplace is the best form of prevention.

The margin of error is plus or minus 3.3 percentage points.

1 Maybe you're not so tough: 77.4 percent said that if you discovered a trusted subordinate was an addict, you'd convince him to seek counseling. Only 7.4 percent suggested putting him on leave without pay. But there were a few hard-boiled types: 5.6 percent claimed they'd fire him on the spot ("To kill a snake, cut off its head," wrote one respondent); 2.2 percent insisted they'd call the cops. One reader urged, "Torture the person in front of all his or her coworkers."

2 A hefty 69.5 percent thought the company should pick up the rehab tab on a case-by-case basis for employees, 17.2 percent said never; 13.3 percent said always. But in the case of an addicted family member, nearly half (48 percent) of you checked off "never"; 45.4 percent advised on a case-by-case basis; while only 6.5 percent said always.

3 Our readers have either quit Sergeant Pepper's Band or never joined: 68.7 percent strongly disagreed with the idea that it was okay to play with drugs outside the office; another 18.1 percent disagreed. A mere 1.7 percent strongly agreed with limited use; 6 percent agreed. "It depends on the drug," wrote one subscriber. "Marijuana is okay and should be legalized." Then, in case we missed the point, he added, "Legalize marijuana." *Right.*

4 Almost half of you (46.7 percent) wouldn't support a surtax (versus 35.1 percent who would), mostly because you don't think the Government can win the war against drugs. Lots were undecided: 18.2 percent didn't know whether they'd back the tax, and 1.3 percent didn't respond.

5 It's amazing how few of you really know what's going on under your nose: 64.8 percent claimed they didn't know how far up the chain of command drug abuse extends at their companies. Hourly workers were singled out by 12.6 percent of you. But here's the real shocker: 21.5 percent pointed the finger at middle managers (12.1 percent), executive VPs (5.3 percent), and the CEO or president (4.1 percent).

6 The best place for America to begin kicking the habit is at the office: 59.8 percent of you voted yes to drug testing. The chief reason? So that users, once identified, can get help. Close behind was the potent threat of job loss. Next were concerns about the safety of innocent workers. Testing, many declared, sends an unambiguous message: "Don't spout civil rights," wrote a surly reader. "When you use, you lose." Many proposed random testing to prevent abusers from outsmarting the system. One subscriber groused: "I don't want dopers lousing up the company we built while sober!"

Of the 40.2 percent of you who said no to testing, most pleaded invasion of privacy or violation of constitutional rights. Many argued that education is the only real prevention.

EARLY RETURNS: SHAME ON WOLF!

Pity Steve Wolf of United Airlines. Most initial respondents to December's poll blasted his quick-payoff LBO. What's behind the epidemic of short-term thinking? A sizable number of you are blaming your own self-interest. What's the best way to strengthen corporate America? We'll have that answer for you next month. Hint: Adam Smith may be turning over in his grave. Meanwhile, is America selling out to Japan? Take this month's FaxPoll on page 80.